LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

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FISCAL IMPACT STATEMENT

LS 7705 NOTE PREPARED: Jan 14, 2003

BILL NUMBER: SB 392 BILL AMENDED:

SUBJECT: Teacher Recruitment Incentives.

FIRST AUTHOR: Sen. Rogers

BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: X GENERAL IMPACT: State & Local

DEDICATED FEDERAL

<u>Summary of Legislation:</u> This bill requires the Department of Education to establish a teacher signing bonus program to encourage high achieving candidates to teach in Indiana public schools. It provides a \$20,000 bonus paid over at least three years. The bill specifies that the Department may target signing bonuses to attract teachers for those subject matter areas most in need of teachers.

Effective Date: July 1, 2003.

Explanation of State Expenditures: The bill provides a \$20,000 bonus over three years to encourage high achieving candidates to enter the teaching profession. The bill does not specify a number of bonuses that maybe awarded. The bonus must be at least \$8,000 the first year. During the 2001-02 school year about 2,600 first year teachers were hired. If 100 bonuses were available then the impact would be between \$800,000 and \$2M depending on the size of the bonus the first year.

The bill does not contain any specific funding for the program.

The bill also requires the Department of Education to publicize the program nationally and implement an outreach plan to attract under-represented populations to the teaching profession.

Explanation of State Revenues:

Explanation of Local Expenditures: The bill could encourage students to enter the teaching profession. With a greater supply of new teachers, school costs may decrease.

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Explanation of Local Revenues:

State Agencies Affected: Department of Education.

Local Agencies Affected: Local School Corporations

Information Sources: Department of Education Databases.

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